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**For Immediate Release**

July 9, 2009

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**State Auditor Vaudt Responds to Questions Regarding  
Fiscal Year 2009 Revenues**

(Des Moines, Iowa)—Responding to requests for his opinion on the effect of differing revenue reports recently released by the Legislative Services Agency and the Department of Management for the fiscal year just completed, State Auditor David Vaudt stated, "My opinion is easy to arrive at. You use the results which are determined in accordance with the law."

Vaudt noted, "Chapter 8 of the Code of Iowa, titled the "Budget and Financial Control Act," requires the Revenue Estimating Conference to agree to estimates for both revenue for a fiscal year and tax refunds payable from that estimated revenue. Chapter 8 also requires tax refunds be deducted from estimated revenue in determining the adjusted revenue estimate upon which the 99% expenditure limitation is built. After reviewing the reports issued by both Agencies, the Legislative Services Agency's report provides a more comprehensive analysis of total revenue determined in conformity with Iowa law. Based on this, a revenue shortfall of over \$160 million projected by the Legislative Services Agency seems likely."

Vaudt also remarked the State's revenue is not the only factor in determining the condition of the State's finances at the end of the year. The total extent of any surplus or shortfall will also depend on the State's FY 2009 expenses which don't get paid until July and August. "As always, it is important to look at the entire picture, not just part of it," Vaudt concluded.

**State of Iowa  
General Fund Receipts  
Fiscal Year 2009  
(\$ in millions)**

	<u>Actual</u>	<u>Budget</u>	<u>Excess (Shortfall)</u>
Total gross receipts (12 months)	\$6,921.5	\$6,979.2	\$(57.7)
Refunds:			
Income tax (12 months)	(832.3)	(760.0)	(72.3)
School infrastructure (11 months)	(350.3)	(357.5)	7.2
Accrued revenue, net	<u>- (a)</u>	<u>(0.1)</u>	<u>0.1</u>
Cash basis net receipts	5,738.9	5,861.6	(122.7)
Refunds pending:			
School infrastructure (1 month)	<u>(38.0)(b)</u>	<u>-</u>	<u>(38.0)</u>
Adjusted cash basis net receipts	<u>\$5,700.9</u>	<u>\$5,861.6</u>	<u>\$(160.7)</u>

(a) Amount will be determined by actual receipts and refunds in July and August 2009 compared to July and August 2008.

(b) Estimated amount by Legislative Services Agency

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